

QUARTERLY PUBLICATION

COWBOYS

Stadium

SCOREBOARD

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THE COWBOYS AND THE CITY OF ARLINGTON A WINNING COMBINATION

The First Quarter Report
chronicles the progress of the
Cowboys Development Project
from bond sale to kick off.
This is the first of what will be
quarterly updates prepared
to report the progress
of the Cowboy's
Stadium Project.



Arlington's solid strategy attracted another major league sports franchise to the city. In 2004, Arlington scored the winning points to build a world-class entertainment venue near the Convention Center, Six Flags and Amerquest Field.

In November 2004, more than 62,000 Arlington residents voted yes, authorizing the City of Arlington to provide the planning, acquisition, construction and financing for the Dallas Cowboys Complex Development Project.

Since scoring those winning points in 2004, a dedicated team of players have been working to coordinate and manage the financing, development and operational aspects of the Cowboys Project. Construction will begin in 2006 and kickoff is scheduled for fall 2009.

Based upon direction of the Mayor and City Council and the Dallas Cowboys Football Club, the

Executive Steering Committee guides the City's role in overall implementation of the Cowboys Project and is comprised of City Manager Jim Holgersson, Deputy City Managers and the City Attorney.

The Cowboys Working Group is comprised of City of Arlington staff, contractors and officials from the Dallas Cowboys Football Club working together to plan and coordinate all development issues requiring legal, real estate and communication strategies.





The Legal Team, with the assistance of Vinson and Elkins, Thompson and Knight, and Goodman and Clark is providing legal representation in the areas of bond counsel and real estate.

The Legal Team is assisted by the City Manager's Office, the Finance Department, Planning and Development Services Department, and outside counsel.


When the City of Arlington approved the ordinance calling the November election, the Legal Team prepared all required documents for the Texas Comptroller's Office, which designated the financing method for the project under Chapter 334 of the Texas Local Government Code.

Since the election, the Legal Team has been working on many aspects of the project, including land acquisition, ordinances, and assistance with other legal issues. When property owners and the City of Arlington are not able to reach agreement on a selling price, the cases are referred to court-appointed commissioners who deter-

mine the market value of each property.

These hearings began in the spring 2005 and are expected to be completed by the end of December 2005. The Legal Team and outside counsel will handle all appeals and related litigation until conclusion.

The Team has also helped to draft amendments to the Sign Ordinance and establish various city code provisions relating to the operation of major sports facilities.

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- Master Agreement Documents: 9
 - Legal Filings
 - Number of hearings: 70
 - Number of hearings pending: 4



The Finance Team with the assistance of Public Financial Management, Bank of America, UBS, JP Morgan Chase, and Vinson and Elkins are managing bond financing issues and ongoing payment authorizations for the Cowboys Project.

On September 1, 2005, the city of Arlington closed on the issuance of \$297,990,000 in bonds. The proceeds from these bonds along with interest earnings and tax revenues will fund the City's 50 percent of construction

costs up to \$325 million. The bonds have a flexible structure to allow for early repayment. The estimated cost of principal

and interest payments is \$470 million with a final payoff in 2026. This assumes no revenue growth and rent pay-

ments of \$2 million beginning in 2009. With revenue growth, the bonds will be paid off sooner at a lower cost. The City of Arlington and the Dallas Cowboys Football Club are working together on the structuring of the User Bonds. As defined in the Funding and Closing Agreement, User Bonds will be secured by an admissions tax and parking tax only for events at the stadium. They will also be secured by a guarantee of the tenant. The User Bonds will be issued by the City and fund a portion of the project costs. It is anticipated that proceeds from these bonds will be available early in 2006.

Project expenditures through October 2005 total \$57,109,228. In accordance with the Funding and Closing Agreement, these project costs are paid out of a trust account jointly controlled by the City and the Cowboys with the City paying one half of the project costs and the Cowboys paying the other half.

The City pays for land and related expenditures directly and is reimbursed from the project account. As of October 17, 2005, approximately 1,700 payments for land and relocation costs have been made by the City of Arlington.



City of Arlington and the Dallas Cowboys sign the Project Documents February 9, 2005

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\$57 million

Project costs to date

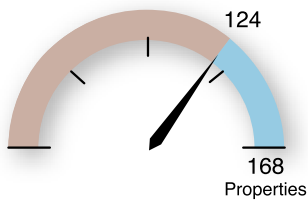


22 REAL ESTATE 22
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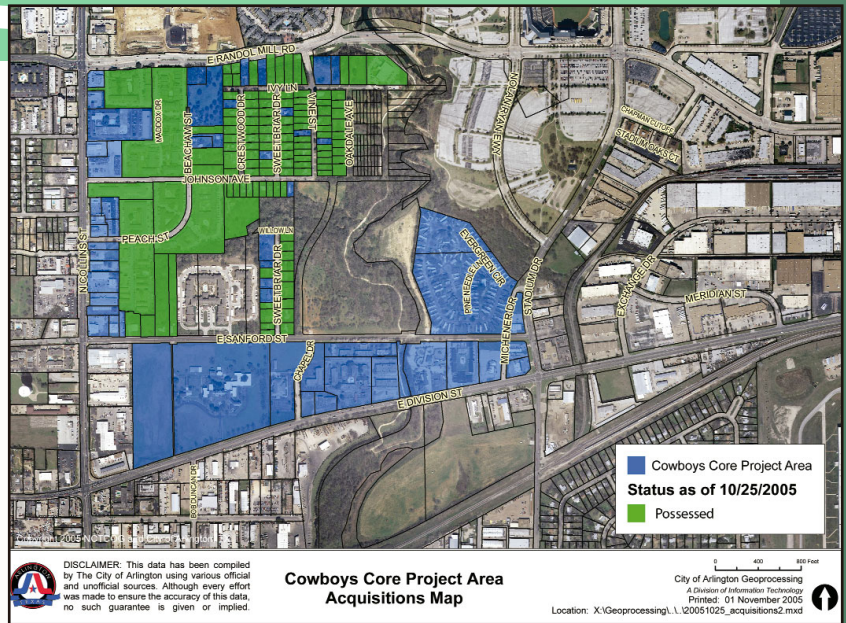
The Real Estate Team with the assistance of Pinnacle Consulting and Thompson & Knight, is negotiating and acquiring land necessary for the project.

The City of Arlington has the rights to possess 124 of the 168 identified properties.

Number of Tracts In Possession by the City in the Project Area



This represents 76 percent of the core project area. Since June 2005, all multi-family residents have been relocated with the exception of 44 units out of 1,090.



70 FAIR SHARE 70
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The Fair Share Team and K Strategies are coordinating the Fair Share Agreement for the Stadium project. So far, 17 minority and women owned business enterprises have received over \$10.7 million in contracts.

On August 31, 2005, K Strategies presented a very successful M/WBE Certification and Working Capital Seminar at the Arlington Municipal Building. The North Central Texas Regional Certification Agency (NCTRCA) gave a presentation on "How to Become Certified." We also had a presentation on "How to Gain Business Capital" from Chase Bank representatives, Compass Bank, Banco Independiente, Southern Dallas Development Corporation and the DFW Minority Business Development Center. Over 150 people participated.

We are gearing up for the largest area of opportunities, construction, with the general contractor. The process of bid-

ding most of the construction subcontracts could began as early as December 2005 and run through December 2006. An Owner Controlled Insurance Program (OCIP) is being implemented, which will standardize insurance coverage and decrease cost for M/WBE firms.

- 17 contracts awarded to minority and women owned businesses
- 163 firms registered
- 95 individual meetings with firms
- 100+ events to promote stadium opportunities
- Formal presentations to 1,165 participants
- Total funds awarded to M/WBE Firms: \$10,791,270

"The Fair Share agreement represents the strict commitment of all parties to include minority and women-owned businesses in all aspects of the design, procurement, development and construction of the Cowboys Complex. This is a win-win for the entire Arlington community."

- Mayor Robert Cluck





The Development Team handles plan review, construction inspections and infrastructure development between the City of Arlington, Bureau Veritas and Lopez Garcia Group. Together, this team is addressing the issues related to building safety construction standards and development requirements.

On December 8, 2004, the development Team published a RFQ or Request for Qualifications for Third Party Plan Review and Inspection Services for the Dallas Cowboys Complex.

By January 21, 2005, eight responses were accepted. With the assistance of the Purchasing Division, the responses were evaluated by the Development Team. Following scoring and discussions, four firms were invited to make oral presentations in April 2005. Bureau Veritas was selected.

Bureau Veritas provides the traditional regulatory function of plan review and inspection to assure compliance with building codes and City ordinances. With the assistance of the Development Team, representatives of the Dallas Cowboys, their construction consultant, and Bureau Veritas produced a Scope of Services, which is designed to meet building code requirements.

Based on the agreed Scope of Services, our team has negotiated a fee of \$3,500,000 over the four-year life of the project.

In the initial response to the Request For Qualifications, The Lopez Garcia Group teamed up with Bureau Veritas to provide civil plan review and inspection services.

LGG provides the traditional regulatory function of civil plan review and inspection to assure compliance with standard engineering practices and City ordinances. The second Scope of Work meets the project's needs regarding review and inspection of civil work and a fee of \$1,297,520 over the four-year life of the project was negotiated.

The two contracts were approved by the City Council in October 2005 and the costs will be paid as part of the overall project.

Stadium Design

On May 27, 2005, the Cowboys Football Club submitted preliminary schematic designs for the stadium. This process continues to evolve.

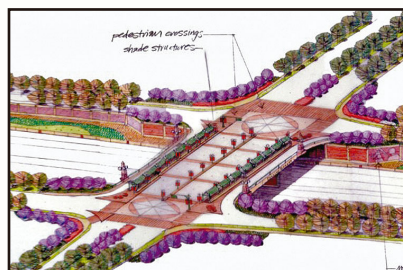


Stadium Transportation Improvements

Conceptual plans for Baird Farm Road from Interstate 30 to Division Street and Rogers Street from Collins Street to Johnson Creek have been received from Graham & Associates and are under review at this time. It is expected that the section from Nolan Ryan to Randol Mill will be constructed this winter.

Previously Planned Streets and Transportation

Design of Interstate 30 and new bridges is on schedule, with final design expected for completion in January 2006. The Design Plans have been submitted to TxDOT for air quality conformity analysis review. The Center Street bridge project has become a separate improvement project and is scheduled to go out for bid in September 2006. The remaining bridge projects are scheduled to go out for bid in January 2007.



An RFQ or Request for Qualifications and Interest has been published for the design of the State Highway 360/Division Street interchange. The

Development Team is planning to present an engineering services contract for the SH360/Division project for City Council approval by the end of the year. Construction of this interchange could begin as early as February 2007.

The widening of Stadium Drive from Chapman Cutoff to Abram Street has been submitted for inclusion in the Tarrant County Transportation Bond Program. The Bond Committee is scheduled to present project recommendations to Tarrant County Commissioners in 2006. The Bond Election is scheduled for May 2006.

Utilities

The Development Team is coordinating utility transfers and disconnections in the Core Project area of the Cowboys Complex. Water Utilities has also modeled and analyzed potential stadium and associated mixed use development impacts on the Arlington water distribution system infrastructure.

As of mid-October:

- 39 properties have gas, phone and cable services disconnected
- 8 properties have water service disconnected in preparation for demolition
- 8 properties have electric service disconnected in preparation for demolition

Johnson Creek

In January 2005, Applied Ecological Services was retained by the Rangers and Cowboys to draft a plan that outlines opportunities within the Johnson Creek corridor to address ecosystem restoration, erosion and sedimentation control, and storm water management.

AES and its environmental planners are working closely with City of Arlington staff and the U.S. Army Corps of Engineers to identify ecosystem restoration alternatives that might be needed to offset impacts in the stadium development area.

The Corps of Engineers requires Nationwide and Individual permits for impacts to wetlands of the United States. Permit applications have been submitted by Applied Ecological Services on behalf of the City of Arlington, for the anticipated impacts of Baird Farm Road on a tributary of Johnson Creek and impacts to Johnson Creek associated with the construction of Rogers Street. An Individual Permit application for impacts to Johnson Creek will be submitted by the end of the year.



Asbestos Assessment and Abatement

The team has hired D-Tech, Inc. to conduct asbestos assessment, and Andrew Joseph Company has been retained to complete the abatements. To date, approximately 75 percent of the structures have been assessed and 25 percent have been abated.

Demolition

Through an interlocal agreement approved in September 2005 between the City and Tarrant County, the County will be responsible for the demolition work as structures become available. To date, eight properties have been prepared for demolition. This work began November 1. The Operations Team has developed a demolitions checklist to ensure work is completed sequentially.





The Communication Team handles document management, media relations, and project communications to the public and neighborhoods in or near the Core Project Area is being assisted by the Communication Team.

The team is comprised of communication specialists from throughout the organization. A five-member team from Administrative Services, Neighborhood Services, Police, and Parks and Recreation has formed to be responsive to the communication needs of citizens, employees, stakeholders, and affected property owners. This team has traveled to Valley Ranch and met with Cowboy communication representatives. A multi-year communication plan has been developed with milestones that mark progress. A number of future news media opportunities have been identified including the presentation of the schematic drawings of the project, the release of the land to the Cowboys for construction, and groundbreaking.

Communication stakeholders with Six Flags, the Convention and Visitors

Bureau, the Chamber of Commerce, Lincoln Square, the Parks Mall, and Rangers are partnering with the City of Arlington and the Cowboys to strengthen relationships and establish notification systems to share information.

A timeline for the Cowboys Development Project has been developed and is included in this First Quarter Report.

Watch the progress: As part of the communication strategy for the project, the City of Arlington and Cowboys Football Club are currently looking for the best location to position a webcam that will transmit real-time video of the project via the Internet. The target launch date is next quarter.

- Cowboys Stadium Scoreboard - Quarterly Newsletter
- Cowboys Project Update - Monthly or as needed
- Portal pages
- Web page
- Coming soon...realtime video webcam at construction site





The Operations Team of the Cowboys Working group is leading the effort to coordinate public safety, traffic, health inspections, and garbage/recycling services in the Core Project Area.

Efforts have included:

- Establishing a multi-person temporary relocation contingency plan for residents and businesses.
- Hazardous Household Waste Collection opportunities on August 13, September 10 and October 8 with an additional opportunity planned for November 12, 2005.
- Posting "No Trespassing Signs" on acquired vacant properties in an effort to readily identify city owned property; a premise history was placed on all vacant properties.
- Preliminary traffic flow and crowd control issues are being identified. Team members have attended pre-game briefings and have observed the current Stadium Operational Plan at work. Contingency plans have been developed to address traffic concerns.
- Five dumpsters have been placed in locations within the core project area and a Litter Crew has been reassigned. Daily monitoring of the area is being conducted.
- Storm Water Pollution Prevention Plans have been submitted and approved.
- All swimming pools have been drained and filled with soil or covered with a hard surface to prevent personal injury and mosquito breeding.

FIRST DOWNS

July '04	City and Cowboys discuss Stadium Development
Aug. '04	City and Cowboys agree on Stadium Development
Nov. '04.	City of Arlington residents approve Stadium Development in public referendum
Feb. '05	Stadium master agreements signed
July '05	Stadium finance documents signed. The City and the Cowboys officially begin the Stadium Development project
	Land acquisition begins.
Aug. '05	Cowboys Stadium Working Group established
Nov. '05	Initial demolition begins in core project area
Spring '06	Groundbreaking and construction



Conclusion

The project is off to a good start, but there are obviously many exciting opportunities on the horizon. Building a world-class facility will take the cooperative spirit of all the stakeholders. The City of Arlington is committed to making the project a huge success for the community and the Cowboys.

The Cowboys Working Group has prepared a detailed work plan to assist in managing the overall schedule for the acquisition, construction and communication of the Cowboys Development Project. A separate document consisting of the project work schedule will be a part of each quarterly Cowboys Stadium Scoreboard report.





The Cowboys Stadium Scoreboard is a quarterly publication
published by the Cowboys Stadium Working Group.